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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Billed Party Preference) CC Docket 92-77
for 0+ InterLATA Calls)

COMMENTS OF GENERAL COMMUNICATION, INC.

General Communication, Inc. (GCI) hereby comments on the Further Notice of Proposed Rulemaking¹ which seeks comment on the costs and benefits of Billed Party Preference (BPP) and the implementation thereof. GCI supports the implementation of BPP and comments on implementation plans, particularly related to Alaska.

Introduction

Currently, 0+ calls from payphones, hotels, motels and other aggregator locations are routed to the Operator Service Provider (OSP) chosen by the premises owner or the payphone owner. OSP's currently compete for 0+ traffic from these locations by offering commissions to the owner of the premises or the payphone. As pointed out by the Commission, this system does not focus competition on the consumer who actually pays for the call.

Under BPP, 0+ calls would be carried by the OSP the caller chooses to carry the call. As proposed by the Commission, to identify the paying party's OSP, local exchange

¹Billed Party Preference, FCC 94-117, released June 6, 1994.

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carriers (LECs) would initially route such calls to a LEC operator service switch (OSS). For collect calls, calls billed to a third number or line number based calling cards, the LEC would launch a query from the OSS to a LIDB via SS7 to identify the OSP designated by the party to be billed. For calls billed to CIID/891 calling card or commercial calling card, LECs would identify the OSP or the database to be queried for routing instructions at the OSS based on the first six digits of the calling card number. Once the preselected OSP was identified, the call, including any billing data collected by the LEC would be sent to the OSP.

GCI supports the adoption of BPP if further comments show that the benefits of BPP outweigh the cost of implementation. For BPP to be successful, all areas of the country must be required to implement the system. A consumer cannot be told that in certain areas of the country you have the BPP system and in all other areas, you have to dial an access code to get to your preferred carrier.

However, GCI urges the Commission to allow all types of carriers, including Competitive Access Providers (CAPs) and Interexchange Carriers (IXCs) to act as an OSS and launch the queries to the relevant database. This should allow BPP to be implemented in a cost effective manner and enable the independent local exchange carriers, particularly in Alaska to participate in BPP. This complies with the Commission's statements that independent LECs will be given flexibility as

reasonably possible to ensure that BPP works in all areas of the country.

Benefits of Billed Party Preference

There are numerous benefits of BPP. Mainly, the system will be easier and more friendly to the end user. The end user will no longer be required to dial a number from a hotel, payphone or other location and determine that the OSP for that phone is not the callers preferred carrier; then to hang up the phone; think of the access code number for his preferred carrier; and, then to dial the access code and the number to complete the call. Under BPP, the end user will simply go to any phone and dial the number he would like to reach and have his preferred carrier handle and bill the call to him. BPP will be easier for the consumer.

Secondly, the OSPs can focus their attention on the end user. No longer will large hotels, motels, payphone providers or any aggregator be able to choose the carrier for the phone to the premises owners' benefit.

Also, all OSPs should be able to offer the same 0+ access from all phones. By allowing the consumer to choose his preferred OSP, the consumer will be able to go to any phone, dial 0+ the number of the party they wish to reach and complete the call.

Further, uncollectables should be reduced throughout the industry. Consumers will no longer be surprised by a bill

from an OSP they cannot remember using from an aggregator location. If consumers have an OSP of choice, they will tend to think that calls made via that OSP are legitimate calls they made. Also, the new facilities put into place by both LECs and OSPs will further enhance the infrastructure and capabilities of the industry as a whole.

The foregoing benefits must be weighed against the cost of BPP. If further comments show that the benefits outweigh the costs, BPP should be adopted.

Billed Party Preference Must Be Implemented Nationwide

The benefits to consumers of BPP will be achieved only if all areas of the country implement the system. A case study of equal access and 800 portability proves that nationwide implementation is necessary. However, in territories that have independent LECs, the Commission must be flexible. For example, for equal access, the Commission stated that independent LECs, except GTE, would be required to implement equal access only upon a bona fide request. Further, the independent LECs are given up to three years from the date of that request to actually implement equal access.

In the case of 800 portability, the Commission eventually realized that all the independent LECs must be part of the system or 800 portability would not be productive. The independent LECs were given flexibility in implementing 800 portability. In Alaska, immediately preceding the

implementation of 800 portability, it became evident to all telecommunications companies in Alaska, both interexchange carriers and LECs, that the network configuration envisioned by the Commission did not take into consideration areas that were not served by Regional Bell operating Companies (RBOCs). For instance, in the lower 48, independent LECs that did not have capabilities to perform their own 800 queries could arrange to have their 800 traffic queried by the appropriate RBOC and routed to the appropriate IXC. The independent LECs in the lower 48 are geographically very close to a RBOC. In Alaska, there is no RBOC. Also, all traffic from one LECs certificated area to another and even all traffic between towns in one LECs certificated area is considered interexchange and carried by an IXC. These distances can be over thousands of miles. Although there were two LECs at the time of conversion that had the capability of launching 800 queries through its SSP and STP, the other 20 Alaskan independent LECs did not have this capability. As a result, the industry was forced to choose between two options: (1) routing all traffic to the one LEC; or, (2) allowing each LEC to contract directly with the IXCs to perform the querying and routing function. The first option proved far too expensive, considering the transport requirements of most of the LECs. The mileage for transport to the LEC would be at least hundreds if not thousand of miles. The second option was more economically reasonable, as both the facilities based IXCs

that serve Alaska had the capability to launch the query. Those LECs that could not perform the querying function or did not have STPs, contracted directly with the IXC for these services. The arrangement has worked well and allows 800 portability to work in Alaska.

As currently proposed, implementation of BPP holds many of the same pitfalls for Alaska that were experienced during the 800 portability conversion. At present there are only two operator service providers in Alaska equipped to perform LIDB queries: the two interexchange carriers, GCI and Alascom. Again there is no RBOC in Alaska. For the 22 independent LECs that do not have operator centers there are no practical alternatives. Even if one LEC purchased the necessary hardware and software to perform the OSS functions, the costs of transport over hundreds if not thousands of miles, makes this option uneconomical. The alternative of IXCs providing this service makes good economic sense for Alaska and makes good public policy. As stated in the Further Notice, the Commission will "provide independent LECs with as much flexibility as reasonably possible to ensure that they could plan their BPP participation in accordance with their resources and network needs."² The Commission in adopting regulations for BPP should explicitly state that IXCs should be allowed to act as the OSS and perform LIDB queries.

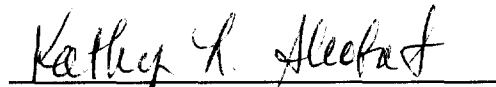
²Id., p. 24.

Conclusion

For BPP to be beneficial, the Commission must mandate that all LECs, including independents, implement the system. Further, the Commission in adopting regulations for BPP should include an explicit recognition that, for areas not served by RBOCs, any entity, including IXCs should be allowed to act as the OSS and perform LIDB queries.

Respectfully submitted,

GENERAL COMMUNICATION, INC.

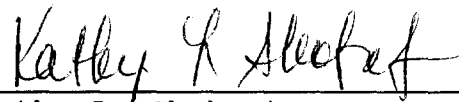


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August 1, 1994

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information and belief, there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct.
Executed August 1, 1994.



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CERTIFICATE OF SERVICE

I, Kathy L. Shobert, do hereby certify that on this 1st day of August, 1994, a copy of the foregoing Comments of General Communication, Inc. was mailed by first class mail, postage prepaid, to the parties listed below.



Kathy L. Shobert

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